

MARY ANN SMITH
Deputy Commissioner
SEAN M. ROONEY
Assistant Chief Counsel
JUDY L. HARTLEY (State Bar No. 110628)
Senior Counsel
Department of Business Oversight
320 West 4th Street, Ste. 750
Los Angeles, California 90013-2344
Telephone: (213) 576-7604
Facsimile: (213) 576-7181

Attorneys for Complainant

BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	
)	CFL FILE NO.: 60DBO-54856
THE COMMISSIONER OF BUSINESS)	
OVERSIGHT,)	
)	STATEMENT OF ISSUES
Complainant,)	
)	
v.)	
)	
UNION CAPITAL ASSOCIATES, INC.,)	
)	
Respondent.)	

The Commissioner of Business Oversight (Complainant or Commissioner) is informed and believes, and based upon such information and belief, alleges and charges Union Capital Associates, Inc. doing business as UCA Funding (Union Capital) as follows:

I.

Introduction

1. The proposed order seeks to deny the finance broker license application of Union Capital pursuant to Section 22109 of the California Financing Law (CFL) (Fin. Code § 22000 et. seq.) in that Union Capital has committed violations of the CFL.

II.

Respondent

2. Union Capital is a California corporation incorporated on or about January 1, 2011. Union Capital does business in California as UCA Funding. Union Capital has applied for a finance lender license as more fully described below.

III.

CFL License Application

3. On or about March 30, 2016, Union Capital submitted an application for a finance broker license under the CFL with the Department of Business Oversight (Department). The application provided an address of 915 West 10th Street, Santa Ana, California 92703. The Union Capital license application was signed by its president, Scott Hickerson.

IV.

Unlicensed Brokering

4. According to California Secretary of State information, Union Capital was incorporated on January 1, 2011 to engage in leasing and financing. Therefore, on or about May 27, 2016, the Department requested, as part of the licensing process, Union Capital submit a list of any loans it made or brokered In California.

5. In or about August 2016, Union Capital submitted a list of 34 brokered loans from December 6, 2012 through June 7, 2016. A review of the list disclosed that 20 of the loans brokered by Union Capital were subject to the CFL.

6. Thus, Union Capital was in violation of Financial Code section 22100 in brokering those loans.

7. According to Union Capital, it made \$44,315.85 in broker fees for the 20 loans.

8. Union Capital has represented to the Department that it ceased brokering loans in California on or about June 7, 2016.

///

///

///

V.

CFL Denial Statute

9. Financial Code section 22109 provides in pertinent part:

(a) Upon reasonable notice and opportunity to be heard, the commissioner may deny the application for any of the following reasons:

(3) The applicant or an officer, director, general partner, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has violated any provision of this division or the rules thereunder . . .

VI.

Conclusion

10. The Commissioner finds that, by reason of the foregoing, Union Capital has committed numerous violations of Financial Code section 22100, and based thereon, grounds exist to deny the CFL license application of Union Capital.

WHEREFORE, IT IS PRAYED that pursuant to Financial Code section 22109, subdivision (a)(3), the finance lender license application of Union Capital Associates, Inc. doing business as UCA Funding be denied.

Dated: May 10, 2018
Los Angeles, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
Judy L. Hartley
Senior Counsel
Enforcement Division